

PUBLIC UTILITY DISTRICT NO. 1 *of* CHELAN COUNTY
P.O. Box 1231, Wenatchee, WA 98807-1231 • 327 N. Wenatchee Ave., Wenatchee, WA 98801
(509) 663-8121 • Toll free 1-888-663-8121 • www.chelanpud.org

March 11, 2016

VIA ELECTRONIC MAILING

Honorable Kimberly D. Bose, Secretary
FEDERAL ENERGY REGULATORY COMMISSION
888 First Street, NE
Washington, DC 20426

Re: **Lake Chelan Hydroelectric Project No. 637**
License Article 408, Appendix D Water Quality Certification Condition IV.E. and Settlement Agreement Article 7(c)(2) -
Notice of Temporary Changes in Pumped Flow to Habitat Channel for 2016

Dear Secretary Bose:

In our letter dated March 13, 2015, the Public Utility District No. 1 of Chelan County, Washington (Chelan PUD), notified the Federal Energy Regulatory Commission's (Commission) of a temporary change in flow to the Chelan River habitat channel by operating four rather than five pumps during the October 15 through November 30, 2013, Chinook salmon spawning period and March 15 through May 15, 2014, steelhead spawning period. In your letter order dated February 25, 2014, the Commission acknowledged this change.

The Chelan River Fishery Forum (CRFF) met on March 2, 2016, to discuss many aspects of the Chelan River, primarily measures to be implemented to determine achievement of biological objectives. A specific topic was to discuss the preferred flows to be implemented during the March 15 through May 15, 2016, steelhead spawning period. The CRFF supported 4-pump operation in 2014 and 2015, which provides approximately 280 cfs to 290 cfs in the habitat channel, because physical modeling of water depth, velocity and substrate size predicted more suitable steelhead spawning habitat at this flow level. The 5-pump operation required in the Lake Chelan Comprehensive Settlement Agreement (SA) actually provided much more flow than the minimum 320 cfs described in the SA, approximately 340 cfs to 360 cfs. This level of flow actually provided less suitable steelhead spawning habitat based on model results.

Based on input from CRFF members during the March 2, 2106, meeting, the CRFF supported Chelan PUD implementing 4-pump operation that provides 280 cfs to 290 cfs in the habitat channel for the steelhead spawning period from March 15 through May 15, 2016. Therefore,

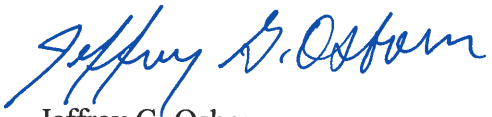
Chelan PUD will be implementing the recommend operation and desires to notify the Commission of the temporary change in flow being provided in the habitat channel for steelhead spawning in 2016.

Steelhead spawning ground surveys will be conducted by Chelan PUD on a weekly basis in 2016, results will be reported to the CRFF upon completion of the steelhead spawning period and surveys, and results will be discussed and evaluated during CRFF meetings to determine future actions. Chelan PUD and the CRFF will be continuing the adaptive management approach to meeting biological objectives in the Chelan River and Chelan River habitat channel, specifically measures to support steelhead and Chinook salmon spawning availability and suitability. Chelan PUD will notify the Commission of any future temporary changes in pumped flows for both steelhead and Chinook salmon spawning.

A record of CRFF discussion and agreement with the continued adaptive management approach from the March 2, 2016, CRFF meeting is attached with this letter.

Please contact me (509) 661-4176 regarding any questions or comments.

Sincerely,



Jeffrey G. Osborn
License Compliance Supervisor
jeff.osborn@chelanpud.org

cc: Erich Gaedeke, FERC Portland Regional Office
Mark Peterschmidt, Washington Department of Ecology
Chelan River Fishery Forum

Enclosure: Chelan River Fishery Forum consultation record

CONSULTATION RECORD

The table below identifies all CRFF participants. Participants attending the March 2, 2016, Forum meeting are marked with an asterisk.

FORUM PARTICPANTS	**AGENCY**
Mark Peterschmidt	Washington State Department of Ecology
Jim Pacheco*	Washington State Department of Ecology
Paul Pickett* (telephone)	Washington State Department of Ecology
Jeffrey Korth	Washington State Department of Fish and Wildlife
Graham Simon*	Washington State Department of Fish and Wildlife
Travis Maitland*	Washington State Department of Fish and Wildlife
Kari Grover Wier	United States Department of Agriculture Forest Service
Richard Vacirca	United States Department of Agriculture Forest Service
Paul Willard	United States Department of Agriculture Forest Service
Emily Johnson	United States Department of Agriculture Forest Service
Ashley Rawhouser	National Park Service
Hugh Anthony	National Park Service
Steve Lewis	United States Fish and Wildlife Service
Justin Yeager	National Marine Fisheries Services
Bill Towey	Confederated Tribes of the Colville Reservation
Bob Rose	Yakama Indian Nation
Carl Merkle	Confederated Tribes of the Umatilla Indian Reservation
Robert Cooney	City of Chelan
Phil Archibald*	Lake Chelan Sportsman Association
Ray Walton* (telephone)	West Consultants, Inc.
Alec Robertson* (telephone)	West Consultants, Inc.
Keith Truscott	Public Utility District No. 1 of Chelan County
Michelle Smith	Public Utility District No. 1 of Chelan County
Steve Hays*	Public Utility District No. 1 of Chelan County
Debby Bitterman*	Public Utility District No. 1 of Chelan County
Marcie Steinmetz*	Public Utility District No. 1 of Chelan County
Jeff Osborn*	Public Utility District No. 1 of Chelan County

Chelan River Fishery Forum **March 2, 2016 meeting**	
Excerpt from 3/11/16 draft Chelan River Fishery Forum meeting minutes	After discussion, Jeff proposed that Chelan PUD provide 280-290 cfs, from 15 March 2016 thru 15 May 2016 via either operating 4 pumps or providing the flow from the Low Level Outlet at the dam. This is a modification of the Lake Chelan Comprehensive Settlement Agreement that contains the requirement of providing a minimum of 320 cfs during the steelhead and Chinook salmon spawning periods, which, in early operating years, was provided by 5 pumps. The 280-290 cfs spawning flow operation was recommended by the CRFF.